

Wisconsin State Legislature

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Joint Committee on Finance *100th ANNIVERSARY 1911 - 2011*

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Alberta Darling
Representative Robin Vos

Date: May 13, 2011

Re: DOC Report to JFC

Attached is a report on Prison Industries from the Department of Corrections, pursuant to s. 303.019, Stats.

This report is being provided for your information only. No action by the Committee is required. Please feel free to contact us if you have any questions.

Attachments

AD:RV:jm

Scott Walker
Governor

Gary H. Hamblin
Secretary



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State of Wisconsin Department of Corrections

February 11, 2011

RECEIVED
MAY 13 2011
BY: *St. Finance*

Senator Alberta Darling
Co-Chair, Joint Committee on Finance
Room 317 East
State Capitol
P.O. Box 7882
Madison, WI 53707-7882

Representative Robin Vos
Co-Chair, Joint Committee on Finance
Room 309 East
State Capitol
P.O. Box 8953
Madison, WI 53708

Dear Senator Darling and Representative Vos:

Attached are the reports on Prison Industries for the quarter ending June 30, 2010 as required by § 303.019 of the Wisconsin Statutes. This report includes the year-to-date cash balances of Badger State Industries at the end of the fourth quarter of Fiscal Year 2010.

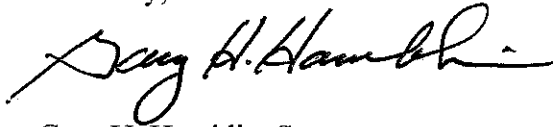
Traditional Prison Industries

Traditional Industries gross revenues for the period July 1, 2009 through June 30, 2010 are \$14,064,700. Cash expenditures for the same time period are \$18,012,600. Through the end of the fiscal year, expenditures exceeded revenues by (\$3,947,900). Due to the economic situation and purchase of materials for the construction of systems furniture, Traditional Industries suffered an ending accumulated cash balance of (\$3,235,500) for fiscal 2010.

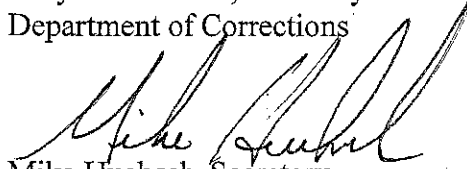
In recognition of the shortfall, Traditional Industries has taken proactive measures to reduce costs and is exploring opportunities for further improvements. In addition, Traditional Industries is pursuing more aggressive marketing. As an example of this, to date, revenue from University of Wisconsin -- Madison construction projects is up this fiscal year with gross sales yielding over \$1 million over last year at this same time period.

The Department of Corrections would be happy to respond to any questions you may have on this matter.

Sincerely,



Gary H. Hamblin, Secretary
Department of Corrections



Mike Huebsch, Secretary
Department of Administration

Attachments

cc: Tim Peterson, BCE
Bernie Spiegel, BCE
Floyd Mitchell, DAI
Tim Lefave, DAI
Brigette Smith, DAI
Ben Cruz, BCE
Ben Grattan, BCE
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Stacey Rolston, DMS
Roland Couey, DMS
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Dustin Trickle, DMS
Martina Allen, DMS
Jana Steinmetz, DOA
Katie Kisiolek, DOA
Jere Bauer, LFB

BADGER STATE INDUSTRIES
YEAR TO DATE CASH BALANCE SUMMARY BY INDUSTRY
AS OF JUNE 30, 2010

TRADITIONAL INDUSTRIES				
INDUSTRY	CASH BALANCE 7/1/2009	FY-10 YTD REVENUE	FY-10 YTD EXPENDITURE	CASH BALANCE 6/30/2010
NON PROJECT OPERATIONS				
MANAGEMENT & SUPPORT ¹	0	3,907,500	3,907,500	0
DISTRIBUTION CENTER	0	1,294,400	1,294,400	0
TRANSITION PROGRAM	0	130,100	130,100	0
SUB-TOTAL	0	5,332,000	5,332,000	0
PROJECT OPERATIONS				
FURNITURE ²				
WOOD & LAMINATING	(13,041,800)	714,600	1,347,800	(13,674,900)
METAL FURNITURE	(47,724,900)	449,800	2,601,800	(49,876,900)
SYSTEM FURNITURE	55,091,800	1,575,000	457,300	56,209,500
UPHOLSTERY	(438,400)	1,106,100	1,768,600	(1,100,900)
FURNITURE SUB-TOTAL	(6,113,300)	3,845,500	6,175,400	(8,443,200)
LAUNDRIES				
OSCI LAUNDRY	90,200	1,035,800	860,900	265,100
CVCTF LAUNDRY	(980,200)	316,500	694,600	(1,358,400)
LAUNDRIES SUB-TOTAL	(890,000)	1,352,300	1,555,500	(1,093,300)
METAL STAMPING	18,033,500	1,585,500	1,730,400	17,888,700
PRINTING	(3,050,700)	624,800	768,200	(3,194,100)
SIGNS				
SCI SIGN SHOP	2,142,200	744,900	925,200	1,962,000
JCI SIGN SHOP	(278,900)	203,300	416,900	(492,400)
NLCI HYDROSTRIPPING SHOP	(747,300)	20,400	219,500	(946,500)
SIGNS SUB-TOTAL	1,116,000	968,600	1,561,600	523,100
TEXTILES				
GBCI TEXTILES	(4,397,800)	550,100	592,400	(4,440,100)
SILKSCREENING SERVICES	(3,985,400)	(195,100)	296,200	(4,476,700)
TEXTILES SUB-TOTAL	(8,383,100)	355,000	888,700	(8,916,800)
WHEEL CHAIR REFURBISHING	0	900	900	0
SUB-TOTAL				
TOTAL	712,400	14,064,700	18,012,600	(3,235,500)

Footnotes:

1: Management & Support costs represent overhead and non-project operations. Transition program costs are substantially allocated to the appropriate industries in the current fiscal year. Any remaining costs will be allocated in next fiscal year operations.

2: System Furniture sales are derived from products manufactured by the other Industries: Wood & Laminating, Metal Furniture, and Upholstry. Costs for those products are retained by the originating shop.